



PRESS RELEASE

NATIONAL AGRICULTURAL STATISTICS SERVICE
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ARMS Survey Data Shows 2006 Expenses Up and Net Income Down for Washington Farmers

Estimates using data from the Agriculture Resource Management Survey (ARMS) conducted from January to April 2007, shows that net income for Washington farmers and ranchers decreased two percent from 2005 to 2006 to \$958 million, but is thirty four percent below the three year (2003-2005) average net farm income of \$1.44 billion. Overall, the value of production rose six percent from 2005 to 2006, but the value of expenses rose seven percent resulting in a decrease in net income. Crops led the increase in the value of production, showing a thirteen percent increase, while livestock products showed a ten percent decrease in value. Petroleum and fuel oil expenses showed a twenty percent increase from 2005. Washington State ranked 7th among U.S. states in value of production per operation, but 21st in net farm income per operation. Washington was the twelfth highest state in terms of total production expenses.

At the U.S. level, net farm income decreased twenty three percent from 2005 to 2006.

Net Farm Income, 2003-2006, Washington State and U.S.

	2003	2004	2005	2006
	Thousand dollars			
WA Value of crop production	3,958,243	4,243,105	4,006,443	4,531,336
WA Value of livestock production	1,544,698	1,695,947	1,858,965	1,668,249
WA Revenues from services and forestry	639,101	670,638	684,043	733,659
WA Value of agricultural sector production	6,142,042	6,609,691	6,549,450	6,933,243
WA Purchased inputs	2,669,893	2,830,207	3,373,210	3,649,029
WA Hired labor	1,119,716	1,095,793	1,261,546	1,300,775
Washington Net Farm Income ^{1/}	1,589,061	1,763,631	978,762	958,337
U.S. Net Farm Income ^{1/}	59,656,080	85,944,079	77,128,312	59,005,486

^{1/} Net Farm Income is the Farm Operators' share of income from the agriculture sector's production activities.

NASS conducted a survey of approximately 34,200 farms and ranches during January through April of 2007 in all states except Alaska and Hawaii. The ARMS survey covers the population of farms in the 48 contiguous states that meet the official USDA definition (all establishments which sold or would normally have sold at least \$1,000 of agricultural products during the previous year). These operations include not only traditional agricultural farms such as grain farms and ranching operations, but also specialty farms such as orchards, nurseries, and those producing fish in captivity.

The Economic Research Service publishes "Farm Business Economic Reports" based on data from the ARMS surveys. To access the tables point to:

<http://www.ers.usda.gov/Data/FarmIncome/finfidmu.htm>

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Find agricultural statistics for Washington State at www.nass.usda.gov/Statistics_by_State/Washington